

STAT

December 24, 1965

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[Redacted]
P. O. Box 8043
Southwest Station
Washington, D.C.

20024

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Attention: [Redacted]

Subject: Contract [Redacted] 5% withhold

Reference: DD396 Notice of Costs Suspended and/or Dis-
approved #247-1, dated 15, November, 1965

Dear Sirs:

The referenced DD396 was received December 13, 1965
and the acknowledgement copy is enclosed.

In the subject contract, Section F "Time and Material
Provisions" Article 5 "Payments" subparagraph (A) (2) states:

"Unless otherwise set forth in the schedule,
five percent (5%) of the amount due under
this paragraph (a) shall be withheld from
each payment by the Contracting Officer but
total amount withheld shall not exceed
[Redacted] Such amounts withheld shall be
retained until the execution and delivery
of a release by the Contractor as provided
in paragraph (f) hereof."

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Enclosed is a release as specified above for
Invoices #1, #2, #3, #4, and #5.

Invoice #5A, enclosed, is for payment of the amounts
withheld from the Invoices #1, #2, #3, #4, and #5. Payment
of Invoice #5A will constitute final payment of the foregoing
invoices.

Declass Review by NGA.

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December 24, 1965

I trust this additional information will provide suitable justification for payment of the disapproved costs of the referenced DD396. If further information is desired, please do not hesitate to call me.

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WAS:ws

cc: Technical Representative of Contracting Officer

Encl. (1) Acknowledgement Copy of Referenced DD396

Encl. (2) Executed Release for Invoices #1 thru #5

Encl. (3) Invoice #5A for payment of withhold of invoices #1 thru #5.

STAT

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Subject: Contract [redacted] Release for Invoice(s)
\$1, 2, 3, 4, and 5.

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In accordance with Section F "Time and Material Provisions", Article 5 "Payments" subparagraph (f) of the subject contract, [redacted] hereby executes and delivers, as the time of and as a condition precedent to final payment of subject invoice(s) under the subject contract, this release discharging the Government, its officers, agents, and employees of and from all liabilities, obligations, and claims arising out of or under this contract, subject only to the following exceptions:

- (i) specified claims in stated amounts or in estimated amounts where the amounts are not susceptible of exact statement by the contractor;
- (ii) claims, together with reasonable expenses incidental thereto, based upon the liabilities of the Contractor to third parties arising out of the performance of this contract, which are not known to the Contractor on the date of the execution of the release, and of which the Contractor gives notice in writing to the Contracting Officer not more than six (6) years after the date of the release or the date of any notice to the Contractor that the Government is prepared to make final payment, whichever is earlier; and
- (iii) claims for reimbursement of costs (other than expenses of the Contractor by reason of its indemnification of the Government against patent liability), including reasonable expenses incidental thereto, incurred by the Contractor under the provisions of this contract relating to patents.

List of known claims:

None

List of assignees under this contract and releases enclosed:

There are no assignees under this contract.



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Approved For Release 2005/06/23 : CIA-RDP78B04770A002900010005-6

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